

ANNUAL REPORT
OF THE
DETROIT AND MACKINAC
RAILWAY COMPANY

FOR THE FISCAL YEAR ENDED DECEMBER 31st
1943

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TRANSPORTATION SECRETARY

DETROIT AND MACKINAC RAILWAY COMPANY

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

CHARLES A. PINKERTON	East Tawas, Mich.
ELIZABETH P. McHARG	Ridgefield, Conn.
DAVID D. HULL	Roanoke, Va.
WALTER B. GUY	Washington, D. C.
EDWARD REISER	Saginaw, Mich.

OFFICERS

CHARLES A. PINKERTON, President and General Manager	Tawas City, Michigan
R. J. McMULLEN, Vice-President and Assistant General Manager	Alpena, Michigan
GEO. J. BERGEVIN, Vice-President and Auditor	Tawas City, Michigan
N. W. SALSBERY, Secretary and Treasurer	Tawas City, Michigan
R. W. HICKEY, Purchasing Agent	Tawas City, Michigan
CARL R. HENRY, General Counsel	Alpena, Michigan
J. F. LEVIN, Traffic Manager	Alpena, Michigan

FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company	New York, N. Y.
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REGISTRAR OF STOCK

Central Hanover Bank and Trust Company	New York, N. Y.
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ANNUAL MEETING

The last Tuesday in April is the date of Annual Meeting of Stockholders	
General Office	Tawas City, Michigan

COLEGROVE, MURPHY & TREPANIER
CERTIFIED PUBLIC ACCOUNTANTS
LAFAYETTE BUILDING
DETROIT

Albert M. Colegrove, C. P. A.
Harry L. Murphy, C. P. A.
J. C. Trepanier, C. P. A.

February 12, 1944

Mr. George J. Bergevin,
Vice-President and Auditor,
Detroit and Mackinac Railway Company,
Tawas City, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1943, and herewith present statements showing the result of the operation of your company for the period under review.

We certify that, according to the books and records, the attached balance sheet reflects the true financial condition of your company as at December 31, 1943, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date.

Very truly yours,
COLEGROVE, MURPHY & TREPANIER,
By Albert M. Colegrove,
Certified Public Accountant

DETROIT AND MACKINAC RAILWAY COMPANY

ANNUAL REPORT

Tawas City, Michigan
February 1, 1944

To the Stockholders of the Detroit and Mackinac Railway Company:

The Annual Report of the Board of Directors for the year ending December 31, 1943, is herewith submitted.

Total operating revenues were \$975,711.81, a decrease of \$213,767.23. Freight revenues were \$716,129.35, a decrease of \$287,757.95. The decrease in freight revenue reflects the loss of building materials for the two Government airfields completed last year, and the loss of oil and gasoline now moving via truck on directives from the Office of Defense Transportation, also a decrease in limestone to the sugar factories, approximating 100,000 tons, due to the failure of the beet crop which closed many sugar factories in the Central West.

Passenger revenue was \$151,294.97, an increase of \$94,336.16. The increase is the result of heavier military and civilian travel by rail and the curtailment of the operation of private automobiles on the highway.

The suspension by the Interstate Commerce Commission of Ex Parte 148 increase of freight rates and charges from May 15, 1943, denied your Company revenue required to meet higher cost of wages and materials.

Operating expenses increased \$204,334.86. The ratio of operating expenses to revenues was 95.6 per cent, an increase of 34.4 per cent. The ratio of transportation expenses to operating revenues was 36.1 per cent. The increase in operating expenses was primarily the result of a retirement charge from the abandonment of the Prescott Branch, amounting to \$97,593.43, and secondarily to road property depreciation shown for the first time in the accounts for the year 1943. Other increases in operating are the result of higher prices of fuel and materials during the year and increases in wages.

Your Company's property was maintained under adverse labor and material conditions during the year, with equipment, roadway, track and structures in fair condition at the end of the year.

During the year 2,050 miles of new 90-pound rail were laid in main track and an equal amount of lighter rail was recovered and will be reconditioned. In surfacing and lifting main track, 3,630 cubic yards of washed, crushed limestone ballast were used during the year; 2,531 feet of industrial and side tracks were built for industries and the Company. Extensive repairs were made to the Saginaw River bridge. Tracks in North Alpena Yard were lifted, re-tied, ballasted, and a portion laid with reconditioned rail. Repairs were made to coaling stations, and two train and enginemen's crew houses were built at Bay City. The Prescott Branch from National City to Prescott, Michigan, was abandoned and the rail removed and sold during the year.

Railway tax accruals include the adjusted Federal Income Tax of 1942 and increases in current taxes for the period under review. This ever increasing tax bill is a heavy burden on the revenues of your Company.

There were no new industries established during the year to report.

The Board wishes to express its appreciation of the loyal and efficient service of officers and employees of the Company during the year.

For the Board of Directors,

C. A. PINKERTON,
President

DETROIT AND MACKINAC RAILWAY COMPANY

Tawas City, Mich., Jan. 26, 1944.

CHARLES A. PINKERTON, ESQ.,
President

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ended December 31st, 1943, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Revenues and Expenses by Years.

TABLE E-1—Net Revenue from Railway Operations and Tax Accruals by Years.

TABLE F—Details of Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1942 and 1943.

TABLE I—Statistics for Years 1942 and 1943.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs built and taken up during year.

Respectfully,

GEORGE J. BERGEVIN,
Vice-President and Auditor

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1943, AND COMPARISON WITH
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1942, SHOWING INCREASE OR DECREASE

ASSETS

	Items	Total	Increase	Decrease
Investments:		\$6,889,357.02		
Investment in Road and Equipment	\$6,852,472.56			\$159,301.07
Miscellaneous Physical Property	40,880.06		\$ 1,220.00	844.86
Investment in Affiliated Companies	2,816.16			185.00
Deposits in Lieu of Mortgage Property Sold				6,811.76
Donations and Grants—Credit	6,811.76			
		501,328.28		
Current Assets:				
Cash	154,387.50			193,845.60
Special Deposits—J. P. Morgan Coupon Account ..	10,640.00			4,560.00
Net Balances Receivable from Agents and Conductors	32,617.91			4,329.05
Miscellaneous Accounts Receivable	94,052.52		22,190.04	
Material and Supplies	209,582.70		10,143.66	
Other Current Assets	47.65			41.28
		2,067.54		
Deferred Assets:				
Working Fund Advances	567.54			
Other Deferred Assets	1,500.00		1,500.00	
		34,089.50		
Unadjusted Debits:				
Insurance Premiums Paid in Advance	3,573.25		2,309.54	
Other Unadjusted Debits	30,516.25		14,905.09	
		\$7,426,842.34		
Total				\$317,650.29

TABLE A—(Continued)

LIABILITIES		Total	Increase	Decrease
Items				
Capital Stock:		\$2,950,000.00		
Common Stock	\$2,000,000.00			
Preferred Stock	950,000.00			
Grants in Aid of Construction:				
Long Term Debt:		2,181,000.00		\$ 313.10
First Lien Bonds	\$1,375,000.00			
Held in Treasury	216,000.00			
Outstanding	1,159,000.00			213,000.00
Mortgage Bonds	\$1,750,000.00			
Held in Treasury	728,000.00			
Outstanding	1,022,000.00			228,000.00
Amounts Payable to Affiliated Companies:				75,000.00
Current Liabilities:		254,388.16	\$ 63,890.36	
Traffic and Car Service Balances Payable	135,876.21			9,421.08
Audited Accounts and Wages Payable	46,233.58			2,966.59
Miscellaneous Accounts Payable	6,195.25			4,560.00
Interest Matured Unpaid	10,640.00			1,720.00
Unmatured Interest Accrued	7,270.00			5,117.74
Accrued Tax Liabilities	33,911.97		5,269.64	
Other Current Liabilities	14,261.15			
Deferred Liabilities:		21,548.80		4,560.00
Matured Interest in Default	20,440.00			763.20
Other Deferred Liabilities	1,108.80			
Unadjusted Credits:		1,009,236.15		
Accrued Depreciation—Road	136,400.14		2,824.10	
Accrued Depreciation—Equipment	866,378.86		30,582.83	
Other Unadjusted Credits	6,457.15		5,978.10	
Corporate Surplus:		1,010,669.23		6,498.66
Appropriated Surplus	1,850,448.40		125,725.05	
Earned Surplus—Debit Balance	839,779.17			
Total		\$7,426,842.34		\$317,650.29

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT, DECEMBER 31, 1943, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1942

	1943	1942	Increase	Decrease
Freight	\$716,129.35	\$1,003,887.30		\$287,757.95
Passenger	151,294.97	56,958.81	\$ 94,336.16	
Excess Baggage	79.09	17.13	61.96	
Mail	42,085.43	42,545.95		460.52
Express	23,095.24	18,403.01	4,692.23	
Other Passenger Train	910.51	1,456.38		545.87
Milk	7,994.71	8,368.03		373.32
Switching	6,541.42	8,439.67		1,898.25
Station, Train and Boat Privileges	122.63	91.91	30.72	
Parcel Room	10.50	4.60	5.90	
Storage—Freight	119.22	451.48		332.26
Demurrage	3,685.30	5,095.20		1,409.90
Telegraph and Telephone	83.00	89.21		6.21
Rents of Buildings and Other Property	5,412.49	5,546.17		133.68
Miscellaneous	18,117.98	38,115.24		19,997.26
Joint Facility—Cr.	29.97	8.95	21.02	
Total Operating Revenues	\$975,711.81	\$1,189,479.04		\$213,767.23
OPERATING EXPENSES				
Maintenance of Way and Structures	*\$328,038.15	\$ 171,335.61	\$154,702.54	
Maintenance of Equipment	199,064.18	163,681.64	35,382.54	

*Includes \$97,593.43 Retirement Charge on Prescott Branch Abandonment.

TABLE B—(Continued)

	1943	1942	Increase	Decrease
Traffic	\$ 10,194.74	\$ 8,825.45	\$ 1,369.29	
Transportation—Rail Line	352,043.61	345,188.18	6,855.43	
General	45,309.14	39,284.08	6,025.06	
Total Operating Expenses	\$932,649.82	\$ 728,314.96	\$204,334.86	
Net Operating Revenue	43,061.99	461,164.08		\$418,102.09
Railway Tax Accruals	† 80,802.63	53,262.32	27,540.31	
Railway Operating Income	*\$37,740.64	\$ 407,901.76		\$445,642.40
Income from Lease of Road and Equipment	1,964.92	1,908.01	56.91	
Miscellaneous Rent Income	1,987.75	2,064.17		76.42
Miscellaneous Non-Operating Physical Property	591.08	1,778.31		1,187.23
Income from Unfunded Securities and Accounts	28.00		28.00	
Miscellaneous Income	185.00	132.00	53.00	
Equipment Rents	† 20,069.84	†66,107.05	46,037.21	
Joint Facility Rents	1,070.00	122.99	947.01	
Total Income	*\$51,983.73	\$ 347,800.19		\$399,783.92
Miscellaneous Rents	55.00	35.00	20.00	
Miscellaneous Tax Accruals	1,065.63	1,042.72	22.91	
Interest on Funded Debt	92,839.88	110,449.37		17,609.49
Interest on Unfunded Debt	3.06		3.06	
Miscellaneous Income Charges	1,761.01	1,802.93		41.92
Income Balance Transferred to Profit and Loss	*\$147,708.31	\$ 234,470.17		\$382,178.48

†Debit *Deficit †Includes \$25,103.00 Adjustment 1942 Income Tax.

TABLE B—(Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNT

Debit Balance, January 1, 1943	\$ 965,504.22	
Debit Balance Transferred from Income	147,708.31	
Miscellaneous Credits		\$ 274,198.75
Miscellaneous Debits	765.39	
Debit Balance Carried to Balance Sheet		839,779.17
	<u>\$1,113,977.92</u>	<u>\$1,113,977.92</u>

TABLE C

PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,159,000.00	4%	June and December	\$46,360.00	June 1, 1995
Mort.	1,022,000.00	4%	June and December	40,880.00	June 1, 1995
	<u>\$2,181,000.00</u>			<u>\$87,240.00</u>	

TABLE D

DETROIT AND MACKINAC RAILWAY COMPANY

COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1941	Dec. 31, 1942	Dec. 31, 1943
Cash	\$ 167,507.19	\$ 348,233.10	\$ 154,387.50
Special Funds	9,160.00	15,200.00	10,640.00
Due from Station Agents and Others	41,114.62	108,898.37	126,718.08
Material and Supplies	181,762.72	199,439.04	209,582.70
Prepaid and Deferred Charges	3,312.65	1,831.25	5,640.79
Other Unadjusted Debits	5,960.00	15,611.16	30,516.25
Totals	\$ 408,817.18	\$ 689,212.92	\$ 537,485.32
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls	\$ 45,427.04	\$ 55,654.66	\$ 46,233.58
Notes Payable	175,000.00	75,000.00	
Accrued Taxes, Interest and Traffic Balances	129,258.61	180,230.91	229,703.38
Totals	\$ 349,685.65	\$ 310,885.57	\$ 275,936.96
Net Assets	\$ 59,131.53	\$ 378,327.35	\$ 261,548.36
CAPITAL ASSETS			
Cost of Road	\$6,025,457.35	\$5,964,406.47	\$5,802,789.08
Cost of Equipment	1,075,332.48	1,047,367.16	1,049,683.48
Miscellaneous Physical Property	39,636.09	39,660.06	40,880.06
Investments in Affiliated Companies	4,224.26	3,661.02	2,816.16
Deposits for Property Sold	185.00	185.00	
Totals	\$7,144,835.18	\$7,055,279.71	\$6,896,168.78
REPRESENTING			
Bonds Issued—First Lien	\$1,372,000.00	\$1,372,000.00	\$1,159,000.00
Bonds Issued—Mortgage	1,250,000.00	1,250,000.00	1,022,000.00
Stock Issued—Common	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred	950,000.00	950,000.00	950,000.00
Reserves	961,033.18	969,372.07	1,002,779.00
Grants in Aid of Construction	313.10	313.10	6,811.76
Other Unadjusted Credits	773.00	479.05	6,457.15
Appropriated Surplus	1,856,947.06	1,856,947.06	1,850,448.40
Earned Surplus	*1,187,099.63	*965,504.22	*839,779.17
Totals	\$7,203,966.71	\$7,433,607.06	\$7,157,717.14

*Deficit

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

REVENUES	1939	Per	1940	Per	1941	Per	1942	Per	1943	Per
	Amount	Cent	Amount	Cent	Amount	Cent	Amount	Cent	Amount	Cent
Freight	\$748,955.10	85.42	\$729,931.11	85.91	\$723,024.72	85.50	\$1,003,837.30	84.39	\$716,129.35	73.39
Passenger	30,302.15	3.46	25,604.09	3.01	27,976.42	3.31	66,958.81	4.79	151,294.97	15.51
Mail	42,506.91	4.85	42,811.67	5.04	43,052.76	5.09	42,545.95	3.58	42,085.43	4.32
Express	13,847.29	1.58	13,015.06	1.53	12,411.15	1.47	18,403.01	1.55	23,095.24	2.37
Milk	8,490.46	.97	7,426.48	.87	7,326.17	.87	8,368.03	.70	7,994.71	.82
Other Sources	32,707.15	3.72	30,892.30	3.64	31,768.04	3.76	59,315.94	4.99	35,112.11	3.59
Total	\$876,809.06	100%	\$849,680.71	100%	\$845,559.26	100%	\$1,189,479.04	100%	\$975,711.81	100%
EXPENSES										
Maint. Way and Structures	\$129,267.43	20.08	\$139,608.68	22.39	\$146,977.75	22.85	\$ 171,335.61	23.53	\$326,038.15	34.96
Maintenance Equipment ..	168,761.53	26.22	141,278.86	22.65	134,316.46	20.38	163,681.64	22.48	199,064.18	21.34
Traffic	11,664.86	1.82	11,332.30	1.82	10,285.54	1.60	8,825.45	1.21	10,194.74	1.10
Transportation	299,689.50	46.56	298,028.18	47.78	313,357.26	48.71	345,188.18	47.39	352,043.61	37.74
Miscellaneous Operations ..	314.50	.05	234.81	.04	43.51	.01				
General	37,093.77	5.76	37,513.71	6.02	39,956.76	6.21	39,284.08	5.39	45,309.14	4.86
Transportation for Investment—Cr.	3,128.13	.49	4,367.50	.70	1,644.93	.26				
Total	\$643,663.46	100%	\$623,629.04	100%	\$643,292.35	100%	\$ 728,314.96	100%	\$932,649.82	100%
Net Earnings	\$233,145.60	26.59	\$226,051.67	26.60	\$202,266.91	23.92	\$ 461,164.08	38.77	\$ 43,061.99	4.42
Taxes	43,708.16	4.98	41,753.93	4.91	41,775.56	4.94	53,262.32	4.48	80,802.63	8.28
Net Earnings, less Taxes ..	\$189,437.44	21.61	\$184,297.74	21.69	\$160,491.35	18.98	\$ 407,901.76	34.29	\$ 37,740.64	3.86

*Deficit

TABLE E-1

DETROIT AND MACKINAC RAILWAY COMPANY

RAILWAY OPERATING REVENUES, EXPENSES AND TAX ACCRUALS BY YEARS

Year	Revenues	Expenses	Net Revenue	Railway Tax Accruals	Net Revenue Less Tax Accruals
1932	\$ 759,894.83	\$ 606,788.00	\$153,106.83	\$ 50,001.27	\$103,105.56
1933	601,960.77	508,924.72	93,036.05	42,747.21	50,288.84
1934	632,904.36	514,332.73	118,571.63	* 1,733.27	116,838.36
1935	654,505.91	548,623.57	105,882.34	15,247.76	90,634.58
1936	803,484.39	605,305.79	198,178.60	21,118.51	177,060.09
1937	885,445.46	694,643.86	190,801.60	35,134.67	155,666.93
1938	877,856.23	630,599.65	247,256.58	34,889.55	212,367.03
1939	876,809.06	643,663.46	233,145.60	43,708.16	189,437.44
1940	849,680.71	623,629.04	226,051.67	41,753.93	184,297.74
1941	845,559.26	643,292.35	202,266.91	41,775.56	160,491.35
1942	1,189,479.04	728,314.96	461,164.08	53,262.32	407,901.76
1943	975,711.81	932,649.82	43,061.99	† 80,802.63	† 37,740.64

*Includes \$26,714.43 Credit Adjustment

†Deficit

‡Includes \$25,103.00 Debit Adjustment 1942 Income Tax

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1943 COMPARED WITH 1942

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence	\$ 15,590.32	\$ 3,217.48	
Roadway Maintenance	11,929.11		\$ 1,270.66
Bridges, Trestles, and Culverts	9,836.09	7,657.52	
Ties	28,592.73	8,463.19	
Rails	5,274.74		4,904.32
Other Track Material	5,294.80		330.13
Ballast	1,911.41	609.17	
Track Laying and Surfacing	90,104.02	17,250.00	
Fences, Snowsheds, and Signs	1,973.91		1,143.81
Station and Office Buildings	2,747.68		1,278.89
Roadway Buildings	325.08		1,011.43
Water Stations	610.56		1,737.78
Fuel Stations	649.24		223.00
Shops and Enginehouses	2,621.77		364.12
Telegraph and Telephone Lines	2,127.06	576.29	
Signals and Interlockers	324.96		42.75
Power Plants	5.45		80.39
Power Transmission Systems			44.02
Miscellaneous Structures			3.45
Road Property—Depreciation	32,632.00	32,632.00	
Roadway Machines	2,236.61		727.44
Dismantling Retired Road Property	547.45	547.45	
Small Tools and Supplies	2,975.81	399.21	
Removing Snow, Ice and Sand	11,312.72	4,132.61	
Public Improvements, Maintenance	642.61		78.89
Injuries to Persons	541.66		33.16
Insurance	952.84		42.64
Stationery and Printing	252.74		37.82
Other Expenses	9.74		984.33
Maintaining Joint Tracks, Yards, and Other Facilities—Dr.	1,236.06	294.18	
Maintaining Joint Tracks, Yards, and Other Facilities—Cr.	4,814.45	4,330.96	
Retirements—Road	97,593.43	97,593.43	
Total	\$326,038.15	\$154,702.54	

TABLE F—(Continued)

MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence	\$ 16,791.09	\$ 5,747.32	
Shop Machinery	1,316.50	173.36	
Power Plant Machinery	316.53	59.62	
Power Plant Machinery—Depreciation ..	3,666.92	3,666.92	
Steam Locomotives—Repairs	60,662.40	21,041.06	
Other Locomotives—Repairs	12.53		\$ 88.88
Freight-train Cars—Repairs	48,474.95	2,713.09	
Passenger-train Cars—Repairs	30,562.26		19.80
Work Equipment—Repairs	4,811.23	3,678.92	
Miscellaneous Equipment—Repairs	706.88	109.46	
Equipment—Retirements			127.46
Equipment—Depreciation	30,882.83		339.34
Injuries to Persons	270.07		102.12
Insurance	490.49	15.00	
Stationery and Printing	301.41	26.64	
Other Expenses	281.01		1,049.70
Maintaining Joint Equipment—Dr.	17.83		110.11
Maintaining Joint Equipment—Cr.	500.75	11.44	
Total	\$199,064.18	\$ 35,382.54	

TRAFFIC

Superintendence	\$ 6,134.06	\$ 1,326.94	
Advertising	339.31		\$ 19.22
Traffic Associations	1,147.95	42.89	
Insurance	38.27		1.52
Stationery and Printing	2,535.15	20.20	
Total	\$ 10,194.74	\$ 1,369.29	

TRANSPORTATION—RAIL LINE

Superintendence	\$ 19,123.40		\$ 1,168.71
Dispatching Trains	4,301.25	\$ 224.24	
Station Employees	53,959.62	2,160.76	
Weighing, Inspection and Demurrage Bureaus	422.89		154.82
Station Supplies and Expenses	3,526.43	120.59	
Yardmasters and Yard Clerks	5,520.81		439.91
Yard Conductors and Brakemen	15,783.80		552.28
Yard Enginemen	9,899.32		1,195.01
Yard Switching Fuel	9,520.84		1,298.34
Water for Yard Locomotives	767.05	195.38	
Lubricants for Yard Locomotives	314.65	10.51	
Other Supplies for Yard Locomotives	122.71	49.36	
Enginehouse Expenses—Yard	6,743.24	311.70	
Yard Supplies and Expenses	606.87	1.19	
Train Enginemen	34,421.38		2,571.13
Train Motormen	5,079.68		608.76
Train Fuel	68,165.08	85.75	

TABLE F—(Continued)

	Amount	Increase	Decrease
Water for Train Locomotives	\$ 2,759.86	\$ 187.27	
Lubricants for Train Locomotives	1,868.45	223.44	
Other Supplies for Train Locomotives ...	592.87	156.84	
Enginehouse Expenses—Train	30,687.09	740.08	
Trainmen	43,026.73		\$ 892.00
Train Supplies and Expenses	12,218.99	2,151.33	
Signal and Interlocker Operation	327.58		16.33
Drawbridge Operation	3,886.17	.53	
Telegraph and Telephone Operation	2,895.96		.18
Stationery and Printing	2,908.63	479.10	
Other Expenses	2,448.48	57.68	
Insurance	361.06		9.63
Clearing Wrecks	316.08	315.89	
Damage to Property	127.21	66.91	
Damage to Livestock on Right of Way ...	152.56	74.18	
Loss and Damage—Freight	2,198.65	228.34	
Loss and Damage—Baggage			4.00
Injuries to Persons	10,880.50	9,835.56	
Operating Joint Yards and Terminals—Dr.	4,298.63		1,797.16
Operating Joint Yards and Terminals—Cr.	6,692.05	164.60	
Operating Joint Tracks and Facilities—Dr.	366.97		49.41
Operating Joint Tracks and Facilities—Cr.	1,865.83		101.07
Total	\$352,043.61	\$ 6,855.43	

GENERAL

Salaries and Expenses of General Officers .	\$ 11,776.59	\$ 1,357.57	
Salaries and Expenses of Clerks and Attendants	21,353.87	535.37	
General Office Supplies and Expenses ...	541.95	32.85	
Law Expenses	4,144.55	1,040.03	
Insurance	127.83		\$ 3.65
Pensions	828.71	410.90	
Stationery and Printing	2,220.05		28.34
Other Expenses	4,315.59	2,680.33	
Total	\$ 45,309.14	\$ 6,025.06	

SUMMARY

Maintenance of Way and Structures ...	\$326,038.15	\$154,702.54
Maintenance of Equipment	199,064.18	35,382.54
Traffic	10,194.74	1,369.29
Transportation—Rail Line	352,043.61	6,855.43
General	45,309.14	6,025.06
Total Operating Expenses	\$932,649.82	\$204,334.86

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1943

MAIN LINE

North Bay City to Cheboygan	195.10
One-half Undivided Ownership—Foss to North Bay City26

BRANCHES

Omer to AuGres	7.95
Alabaster Junction to Alabaster	4.27
Hillman Junction to Emerson	10.38
Rogers City Junction to Rogers City	14.33
Total	36.93
Total Main Line and Branches	232.29
Yard Tracks and Sidings	57.11
Total, all Tracks (miles)	289.40

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

Products of Agriculture:	1943 Tons	Per Cent	1942 Tons	Per Cent
Grain	8,941	1.4	3,702	.4
Flour	2,406	.4	2,614	.3
Other Mill Products	906	.1	1,857	.2
Hay and Straw	3,469	.5	904	.1
Potatoes	14,379	2.3	7,592	.7
Fruits and Vegetables	4,867	.8	2,760	.3
Sugar Beets	2,117	.4	13,390	1.3
Other Products of Agriculture	1,523	.2	3,768	.4
Totals	38,608	6.1	36,587	3.7

TABLE H—(Continued)

	1943 Tons	Per Cent	1942 Tons	Per Cent
Animals and Products:				
Live Stock	1,206	.2	863	.1
Wool	110		162	
Hides and Leather	3,063	.5	4,683	.4
Other Animals and Products	941	.1	789	.1
Totals	5,320	.8	6,497	.6
Products of Mines:				
Anthracite Coal	776	.1	963	.1
Bituminous Coal	47,571	7.4	38,634	3.9
Coke	1,110	.2	1,559	.1
Clay, Gravel, Sand and Stone	303,909	47.5	630,170	62.6
Other Products of Mines	1,228	.2	1,137	.1
Totals	354,594	55.4	672,463	66.8
Products of Forests:				
Lumber, Shingles and Lath	6,560	1.0	12,098	1.2
Pulp Wood	15,545	2.4	15,645	1.6
Other Products of Forests	1,713	.3	3,295	.3
Totals	23,818	3.7	31,038	3.1
Manufactures and Miscellaneous:				
Refined Petroleum and its Products	4,649	.7	15,252	1.5
Sugar	236		163	
Nails and Fastenings	147		581	.1
Bar and Sheet Iron, Structural Iron, and Iron Pipe	8,460	1.3	6,198	.6
Castings, Machinery and Boilers	916	.1	1,975	.2
Cement	42,171	6.7	57,182	5.7
Brick and Artificial Stone	2,212	.3	1,405	.1
Lime and Plaster	7,929	1.2	17,980	1.8
Building Paper and Prepared Roofing Material	3,118	.5	2,890	.3
Beverages	164		116	
Fertilizers (all kinds)	3,976	.6	4,993	.5
Newsprint and Printing Paper	15,831	2.5	10,033	1.0
Canned Goods (all canned food products) ..	1,131	.2	425	
Paper Bags and Wrapping Paper	6,329	1.0	6,116	.6
Paperboard, Pulpboard and Wallboard ..	4,325	.7	7,272	.7
Other Manufactures and Miscellaneous ..	107,333	16.8	118,157	11.8
Totals	208,927	32.6	250,738	24.9
All L. C. L. Freight	8,696	1.4	9,230	.9
Grand Total, Carload and L. C. L. Traffic	639,963	100%	1,006,553	100%

TABLE I

DETROIT AND MACKINAC RAILWAY COMPANY

FREIGHT STATISTICS

	1943	1942
Number tons revenue freight carried	639,963	1,006,553
Number tons non-revenue freight carried .	25,529	31,998
Total number tons of freight carried	665,492	1,038,551
Number revenue tons carried one mile	42,941,000	69,740,000
Number all tons carried one mile	44,908,000	72,233,000
Number revenue tons carried one mile, per mile of road	186,846	288,063
Number tons all freight carried one mile, per mile of road	195,405	298,360
Average distance haul of one ton revenue freight (miles)	67.10	69.34
Average distance haul of one ton all freight (miles)	70.17	71.75
Total freight revenue	\$ 716,129.35	\$1,003,887.30
Average amount received for each ton of freight	1.1190	.99690
Average receipts, per ton, per mile01668	.01439
Freight revenue, per mile of road	3,116.04	4,145.28
Freight revenue, per train mile	6.79	6.35
Average number of revenue tons, per train mile	607.17	637.00
Average number of all tons, per train mile	631.40	655.26
Average number of all tons, per loaded car mile	28.5	32.4
Average number of cars, per train mile	23.5	23.3

PASSENGER STATISTICS

Number of passengers carried	82,188	34,104
Number of passengers carried one mile	7,029,600	2,777,300
Number of passengers carried one mile, per mile of road	30,590	11,472
Average distance each passenger carried (miles)	85.53	81.43
Passenger revenue	\$ 151,294.97	\$ 56,958.81
Average amount received from each passenger	1.84	1.67
Average receipts, per passenger, per mile ..	.0215	.0205
Total passenger train earnings	\$ 225,460.00	\$ 127,749.31
Passenger earnings, per mile of road	981.00	527.67
Passenger earnings, per train mile	1.08	.73
Average number of passengers, per train mile	33.6	15.9

OPERATING STATISTICS

Gross revenue from operation	\$ 975,711.81	\$1,189,479.04
Gross revenue from operation, per mile of road	4,245.54	4,913.21
Operating expenses	932,649.83	728,314.96
Operating expenses, per mile of road	4,058.17	3,008.32
Operating expenses, per train mile	2.96	2.19
Net Operating Revenue	43,061.99	461,164.08
Net operating revenue, per mile of road ...	1,873.68	1,904.86
Ratio of expenses to earnings	95.58	61.22

TABLE J

DETROIT AND MACKINAC RAILWAY COMPANY

EQUIPMENT

Locomotives:	1942	1943
Passenger	5	5
Freight	9	9
Switching	5	5
	<hr/>	<hr/>
Totals	19	19
Passenger Cars:		
Coaches	3	3
Cafe	1	1
Parlor	1	1
Gas Electric Combination Passenger, Baggage and Mail	2	2
Combination Passenger and Baggage	3	3
Combination Baggage and Mail	2	2
Baggage and Express Cars	15	15
Express Refrigerators	9	9
	<hr/>	<hr/>
Totals	36	36
Freight Cars:		
Box	195	194
Flat	41	41
Coal Cars	55	57
Refrigerators	1	1
Caboose Cars	9	9
	<hr/>	<hr/>
Totals	301	302
In Company's Service:		
Officers	1	1
Ballast	3	3
Derrick Cars	1	1
Flangers	11	11
Jordon Spreader	1	1
Industrial Crane	1	1
Other Road Cars	73	73
	<hr/>	<hr/>
Totals	91	91
Summary:		
Total Number of Locomotives Owned	19	19
Total Number of Cars Owned	428	429

TABLE K

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF TRACKS BUILT AND TAKEN UP DURING YEAR 1943

TRACKS BUILT

Track Order	YARD TRACKS, SIDINGS, AND SPURS	Location	Feet
2008	Track No. 242-A	Cheboygan	325
2010	Track No. 254	Cheboygan	528
2019	Track No. 61	Alpena	278
2024	Track No. 82	National City	2,839
Total			3,970

TRACKS TAKEN UP

Track Order	MAIN TRACK	Location	Feet
2023	Prescott Branch—Main Track	National City	63,013
2024	Prescott Branch Lead from Main Line	National City	1,677
Total			64,690

YARD TRACKS, SIDINGS, AND SPURS

2003	Track No. 52	Michie	600
2005	Track No. 8	Emerson	833
2014	Track No. 56-A	Alpena	92
2015	Track No. 16, Part	Tawas Shop	130
2020	Tracks No. 59 and 59-A	Alpena	1,348
2021	Track No. 57, Part	Alpena	1,756
2022	Track No. 226, Part	Aloha	146
2023	Tracks on Prescott Branch	National City	6,616
Total			11,521

SUMMARY

Tracks Taken Up	Miles
Tracks Built	14.43
	.75
Net Decrease	13.68

